

**Bianca, Pam**

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**From:** Brian Anderson <banderson@Council4.org>  
**Sent:** Monday, February 16, 2015 5:50 PM  
**To:** LABTestimony  
**Subject:** Test charge card tip protection - HB 5865

Please file my testimony on 5865. Thanks.



Testimony, Labor and Public Employees Committee, February 17, 2015

My name is Brian Anderson. I am a Legislative Representative for Council 4 AFSCME, a union of 32,000 public and private employees.

Council 4 supports Proposed H.B. No. 5865 AN ACT CONCERNING CREDIT CARD TRANSACTIONS AND GRATUITIES.

This bill protects the tip income of waiters, waitresses, bartenders, cab drivers and other workers. Most of these workers are low wage earners, despite the hard work that they perform. The National Employment Law Project, after running a multi-year comprehensive study of wages, found that waiters and waitresses suffer from a poverty rate nearly 3 times that of other workers.

Currently, Connecticut law allows employers to charge a tip credit to tipped workers. This allows an employer to cover a worker's costs, up to the cost of minimum wage, out of that worker's tips. Some employers charge a service fee to tipped workers to cover the costs that the charge card companies charge the employer. The famed chef and restaurateur Anthony Bourdain, calls the practice of taking such management costs out of a worker's tips "appalling." Bourdain says "by the time waiters are taxed out their paycheck is almost nothing. If you make money for the house, you should get to keep all of your cut of it."

Sadly, there is a large problem with wage theft from tipped workers. There are many undocumented workers serving in tipped positions. These workers are particularly vulnerable to wage theft. The credit card allows an unscrupulous employer even more ability to steal from a worker.

California, the City of Philadelphia and other governments have passed laws making it illegal for an employer to take money out of a tipped worker's charge card tip. Connecticut should do the same.

Council 4 would be happy to provide the committee with any additional information. Thank you for your consideration.